

19 April 1968

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Identification of "Decision Issues"

1. The attached paper reflects an initial effort to come to grips with NIPE/SAG's responsibilities for assembling a list of "decision issues" and a corresponding list of studies related to these issues. Recently, both the D/DCI/NIPE and the DDCI have expressed a continued interest in the accomplishment of these tasks. This paper deals with what we believe is the logical starting point: criteria for the identification of "decision issues".

2. Although we are sending this copy for your information, we would appreciate any thoughts you might have on the subject. Accordingly, we will call within the next two or three days for the purpose of arranging informal discussion.

25X1A

ASA/D/DCI/NIPE

Attachment: Indicators for  
"Decision Issues"

Distribution:

- 1 - D/DCI/NIPE
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DCI/NIPE/SAG: :gs/pa(4246)

19 April 1968

Indicators for "Decision Issues"

This paper deals with identification of "decision issues" relating to the CIAP, CIP, CCP, and NRP. It is an initial and limited approach to the broader problem of developing improved and uniform means to provide support to the DCI and comparable senior levels on these "issues". We intend that it serve as a basis for discussion and exploration that will further efforts on the broader problem. Additional papers will follow.

In this draft the indicators are a function either of costs or of capabilities.\* An issue qualifies as a "decision issue" if one (or more) of the specific indicators is applicable. We have not addressed the problem of timing, that is, when "decision issues" must be identified, nor have we exploited all the indicators to the fullest possible extent. We also expect that these, or any, indicators would have to be re-examined periodically for their continued applicability and effectiveness.

I. Costs

Costs are an indicator in three basic situations: when the cost of a new project exceeds specified amounts; when the cost of an existing project increases by more than specified percentages; and when total costs for the CIAP, CIP, CCP, or NRP increase by more than a specified percentage.

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\* The indicators are shown in summary form on page 2.

DECISION ISSUES

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		CCP				NRP			
TING		NEW		EXISTING		NEW		EXISTING	
a/	All	Comp. $\frac{a}{\text{ }}$	All	Comp. $\frac{a}{\text{ }}$	All	Comp. $\frac{a}{\text{ }}$	All	Comp. $\frac{a}{\text{ }}$	All
	%	Million \$	Million \$	%	%	Million \$	Million \$	%	%
	10			5	10			5	10
	10			5	10			5	10

ion is less than 5 years.

E TO NEW 5-YEAR PROGRAM <sup>a/</sup>			
SECOND	THIRD	FOURTH	FIFTH
5	± 5	± 5	± 5 <sup>b/</sup>

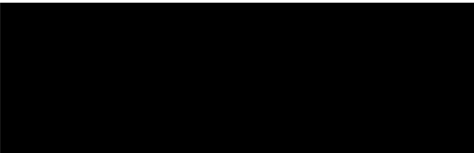
relative to those of the existing Programs. Thus, the current  
grams, the fourth year of the new Programs corresponds to  
his year, the change is relative to the values for the last year

LOSS	NEED
	Requirement but no adequate means
of 50 Per cent or	Decrease of 50 Per cent or more in

A. New Projects

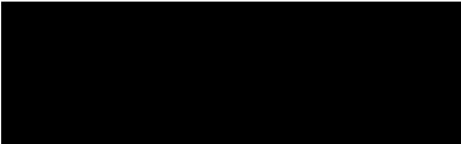
Costs are an indicator for new projects:

1. when the cost of a new project is not fully compensated for by reductions in other projects and it exceeds the amounts indicated in this table either for the first year of the 5-year period or for the 5-year total (or for the current year);

		Million Dollars			
		<u>CIAP</u>	<u>CIP</u>	<u>CCP</u>	<u>NRP</u>
First Year of 5-Year Period <u>a/</u>					
5-Year Total	25X1A				
Annual Average <u>b/</u>					

- a. Also applicable to current year.
- b. To be used instead of 5-year total when the project's duration is less than 5 years.

- or 2. when the cost of a new project exceeds the amounts indicated in the following table either for the first year of the 5-year period or for the 5-year total (or for the current year), regardless of other considerations.

		Million Dollars			
		<u>CIAP</u>	<u>CIP</u>	<u>CCP</u>	<u>NRP</u>
First Year of 5-Year Period <u>a/</u>					
5-Year Total	25X1A				
Annual Average <u>b/</u>					

- a. Also applicable to current year.
- b. To be used instead of 5-year total when the project's duration is less than 5 years.

B. Existing Projects

Costs are an indicator for existing projects:

1. when an increase in cost is not fully compensated for by reductions in other projects and the increase exceeds 5 percent either for the first year of the 5-year period or for the 5-year total (or for the current year); or
2. when an increase in cost exceeds 10 percent either for the first year of the 5-year period or for the 5-year total (or for the current year), regardless of other considerations.

C. Total Costs

Total costs are an indicator:

1. when total costs for the new CIAP, CIP, CCP, or NRP change in any year by more than 5 percent relative to the corresponding year of the existing 5-year Program; or
2. when total costs for the new CIAP, CIP, CCP, or NRP change in the terminal year by more than 5 percent relative to the terminal year of the existing 5-year Program.

When the total costs of a Program show such a change, the values of the indicators for individual new or existing projects is reduced by 25 percent, thereby extending scrutiny to a larger number of the Program's projects.

## II. Capabilities

Capabilities also are an indicator in three basic situations: when there is significant gain; when there is significant loss; and when there is significant change with regard to requirements.

### A. Gain

Gain in capability is an indicator:

1. when there is access to an area or information heretofore denied; or
2. when there is an increase of 50 percent or more in an existing capability.

### B. Loss

Loss in capability is an indicator when there is a decrease of 50 percent or more in an existing capability.

### C. Need

Need is an indicator:

1. when there is a requirement, but existing or proposed capabilities either are nonexistent or inadequate; or
2. when there is a decrease of 50 percent or more in the requirement for a project's output.